

Rural Development

NEW JERSEY

Competitive

Business

Vibrant

Communities

Clean
Wastewater

Affordable

Housing

Safe
Drinking
Water



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The First Word

All states, large or small, are made up of a multitude of local communities, some in urban areas and others in rural settings. Regardless of the geographic or sociological position, all communities have the same basic requirements for prosperity: good infrastructure, clean wastewater, safe drinking water, competitive business and affordable housing.

Through partnerships, large and small, USDA Rural Development continues to work with individuals and communities to provide a better standard of living for the citizens of rural New Jersey. In the year 2000, we were able to assist individuals to become first-time homeowners, communities to provide safe clean drinking water, non-profit community organizations to purchase life-saving equipment and keep businesses competitive in today's global economy.

As you review this year's accomplishments in New Jersey, I believe it will become evident that our employees at USDA Rural Development truly believe in the mission before them . . . creating ways to enhance the quality of life for rural Americans.

As we look forward to 2001, I am sure that USDA Rural Development will continue to make a real difference in peoples lives and in helping rural communities become better places to live, work, and do business.



ERNEST R. GRUNOW, JR.
State Director
USDA Rural Development

Single Family Housing - Rural Housing Service FY 2000 Highlights

Rural Development makes loans and grants to provide rural residents with decent, safe, and sanitary homes. Eligibility is based on adjusted household income, with low interest loans available to low income and very low income applicants. Rural Development housing is modest in size, design, and cost, but meets government observed development standards and agency established thermal requirements.

Home Ownership loans are made to families or individuals who are without adequate housing and who are unable to obtain loans from private lenders at reasonable rates. Loans can be **leveraged** from 20%-80% with private lenders or 100% from the government when private lender loans are not available. **Home Repair loans and grants** are made to make sub-standard houses safe and sanitary and to remove hazards to the health of the occupants, their families and the community.



Before



After

Above: This dwelling underwent interior and exterior repairs using rural housing repair funding. Low interest loans are available to very low income homeowners to remove health, sanitary and safety hazards. Grants may be made available to very low income senior citizen homeowners that demonstrate a lack of ability to repay debt.

<u>Program</u>	<u>Number</u>	<u>Amount</u>
Repair Grants	41	\$ 189,039
Repair Loans	5	\$ 37,763
Homeownership Loans-Direct	117	\$ 8,390,089
Homeownership Loans-Guaranteed	131	\$ 11,861,411
<u>Homeownership Loans-Assumptions</u>	<u>17</u>	<u>\$ 1,239,743</u>
Total	311	\$21,718,045

Leveraged Homeownership Loans	25	\$ 576,080
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Multi-Family Housing - Rural Housing Service FY 2000 Highlights

Rural Rental Housing loans are made to finance apartment style housing or to purchase and rehabilitate existing rental housing. Loans can be made to individuals, public agencies, cooperatives, profit and non-profit corporations. Except for public agencies, applicants must be unable to provide moderate cost rental units with other financing. **Farm Labor Housing loans and grants** finance rental units for domestic farm laborers at an interest rate of 1%. **Rural Housing Preservation Grants** are available to eligible applicants to establish housing rehabilitation projects to assist very low and low income rural residents.



Above: USDA Rural Development State Director, Ernest R. Grunow, Jr. presents John Schmidt of Rural Opportunities, Inc., Vineland, NJ, with a ceremonial check in the amount of \$330,000. Looking on, starting from left, are David Schmidt, Loan Specialist, Nancy Kears, Multi-Family Housing Coordinator, and George R. Hyatt, Jr., Director, Rural Housing Programs.

<u>Program</u>	<u>Number</u>	<u>Amount</u>
Multi-family housing loans	2	\$1,100,000
Farm Labor housing loans	2	\$ 300,000
<u>Housing Preservation Grant</u>	<u>1</u>	<u>\$ 40,000</u>
Total	5	\$1,440,000

In FY 2000, two multi-family housing projects received funds for rehabilitation and repair as well as two farmers providing new and rehabilitate housing for migrant farm labor. Grant funds for repair of low income housing units were also provided.

Community Facilities - Rural Housing Service FY 2000 Highlights

Loan guarantees, direct loans, and grants are available to build or improve essential public use facilities in rural areas or towns of not more than 20,000 people. Funds may be used to finance health care facilities, public safety facilities, and public service facilities. New construction, renovation, rehabilitation, acquisition, major equipment and associated project costs to support the development work are eligible for funding.



Buena Vista Emergency Medical Services receives a ceremonial check for a low interest loan in the amount of \$32,500 and a grant for \$17,500 towards the cost of purchasing an existing ambulance. Buena Vista EMS is a new rescue squad serving Buena Vista Township, Atlantic County, NJ.

<u>Program</u>	<u>Number</u>	<u>Amount</u>
Direct Loans	11	\$1,047,500
<u>Grants</u>	<u>3</u>	<u>\$ 50,000</u>
Total	14	\$1,097,500

FY 2000 found ten (10) rural and small town community fire departments and rescue squads and one (1) community service association receiving a total of \$1,097,500 in financial assistance in the form of low interest long term loans and grant assistance. Funds were used to buy new ambulances, a fire truck, rehabilitate, build additions to existing facilities, build new fire stations and to purchase major equipment such as air-packs, and other essential fire fighting equipment as well as purchasing and improving an existing building for program and administrative space.

Water & Waste Disposal Programs - Rural Utilities Service FY 2000 Highlights

Direct loans, guarantees and grants are available for community water systems, sewage disposal systems, solid waste disposal systems, and storm drainage systems. Projects may be located in or serve open countryside and rural communities of not more than 10,000 population. Priority is given to communities of 5,500 population or less. Grants may be made to help the most financially needy communities reduce user charges to a reasonable level.



(Top:) The Village of Grassy Sound Civic Association, Inc. receives a ceremonial check in the amount of \$440,370 in grant funds towards the construction of a wastewater collection system using low pressure grinder pumps (at right). USDA Rural Development State Director Ernest R. Grunow, Jr. congratulates members of the Association. A grinder pump is installed at each home site pumping the effluent under pressure for collection and treatment.



<u>Program</u>	<u>Number</u>	<u>Amount</u>
Direct Loans	6	\$7,030,000
Grants	6	\$2,697,460
Total	12	\$9,727,460

Eight (8) New Jersey communities received water and waste disposal low interest--long term loans and grants in FY 2000. Three of the projects were for water purposes and five projects were to make improvements to wastewater disposal systems or extend wastewater collection service. Using what is called "RCAP" authority, 8.06% of the grant funds allocated were converted to low interest long term loan funds in order to assist a greater number of applicants.

Business Programs - Rural Business-Cooperative Service FY 2000 Highlights

Efforts to strengthen the economy of rural communities are assisted by the **Business & Industry (B&I)** program, **Rural Business Enterprise Grant** program, **Intermediary Relending program**, and **Cooperative Development Services**. These services are generally available to provide financial assistance and technical assistance in towns of up to 50,000 population or less, with a priority going to places of 25,000 or less. New Jersey eligible areas have been identified and a list is available from the Community and Business Programs division in the Mt. Holly, NJ state office.



Above: U.S. Senator Robert Torricelli congratulates Dr. Jack Kachkar, President and CEO and Robert Carrigan, COO, of Miza Pharmaceuticals USA, Inc. on the acquisition of Optoptics Laboratories, Inc. and the manufacturing facility located in Fairfield, NJ. The purchase of the company by Miza Pharmaceuticals USA, Inc. with a USDA Rural Business-Cooperative Service Business & Industry loan guarantee enabled First International Bank, Hartford, Connecticut to finance the transaction.

<u>Program</u>	<u>Number</u>	<u>Amount</u>
Loan Guarantees	6	\$8,665,000
Direct Loans	2	\$ 221,500
<u>Rural Business Enterprise Grant</u>	<u>4</u>	<u>\$ 164,000</u>
Total	12	\$9,050,500

In FY 2000, seven (7) businesses were received direct benefits saving existing jobs and providing new job opportunities. Four (4) economic development institutions received funding to improve and facilitate private business enterprises in their communities.

Planning & Community Development

Cooperative Services

Strategic Plan

Community Development - USDA has given Rural Development a renewed focus and commitment. We are both a financial assistance and a comprehensive rural community development organization. We strive to develop partnerships with state and local groups who share our mission of creating opportunity and empowerment in rural communities. We target our resources to maximize the impact of Rural Development program funding. We seek to leverage resources beyond those of the Federal Government, which can be used instead of, or in conjunction with, Rural Development funds. Rural Development continues to be a customer-driven organization, which focuses on meeting the needs of rural communities.

Technical Assistance - Our vision for Rural Development is to place far greater emphasis on providing non-financial services to complement and augment the existing financial programs. Dedicated staff is implementing this vision by spending sufficient time directly helping communities meet their needs and implement their strategic plans. Technical and advisory assistance is available to communities to prepare strategic plans, environmental assessments, applications for assistance, assess other sources of credit, and to provide training and support for community leadership programs.

Cooperative Development assistance spans a wide range of assistance for people interested in forming new cooperatives. This help can range from an initial feasibility study to the creation and implementation of a business plan. Rural Development staff includes a cooperative development specialist who does everything from identifying potential cooperative functions through the development of bylaws and business plans. The specialist also provides training for cooperative directors. Contact your Rural Development office to obtain assistance.

Strategic Planning - Annual performance goals have been established to provide comprehensive, service-oriented assistance to the residents, communities, and businesses of rural New Jersey. In identifying areas to be targeted for outreach and program delivery, key economic factors were used such as; the most current unemployment rate, poverty rate, and per capita income using the 1990 census. Based on this criteria the following counties and all municipalities within have been targeted for outreach and program delivery: Atlantic, Camden, Cape May, Cumberland, Gloucester, Ocean, Salem, Sussex and Warren. Municipalities from the other counties have also been identified using this criteria. Contact the Planning and Community Development division in the Mt. Holly, NJ state office for this list.

Results FY 2000 - Single Family Housing Approved

<u>Local Office</u>	<u>Program</u>	<u>Number</u>	<u>Amount</u>
Hackettstown	Repair Grants	5	\$ 18,770
	Repair Loans	1	\$ 5,700
	Homeownership Loans-Direct	6	\$ 390,365
	Homeownership Loans-Guaranteed	40	\$ 4,198,253
	Homeownership Loans-Assumptions	<u>1</u>	\$ <u>102,910</u>
	Total	53	\$ 4,613,088
	Leverage Loans	0	\$ -0-
Mt. Holly	Repair Grants	1	\$ 7,100
	Repair Loans	0	\$ -0-
	Homeownership Loans-Direct	32	\$ 2,584,840
	Homeownership Loans-Guaranteed	18	\$ 1,598,977
	Homeownership Loans-Assumptions	<u>10</u>	\$ <u>802,000</u>
	Total	61	\$ 4,190,467
	Leverage Loans	13	\$ 299,760
Vineland	Repair Grants	23	\$ 100,604
	Repair Loans	2	\$ 17,563
	Homeownership Loans-Direct	12	\$ 830,780
	Homeownership Loans-Guaranteed	32	\$ 2,472,796
	Homeownership Loans-Assumption	<u>1</u>	\$ <u>67,000</u>
	Total	70	\$ 3,308,688
	Leverage Loans	3	\$ 48,920
Toms River	Repair Grants	2	\$ 10,000
	Repair Loans	0	\$ -0-
	Homeownership Loans-Direct	26	\$ 2,366,270
	Homeownership Loans-Guaranteed	22	\$ 1,976,895
	Homeownership Loans-Assumptions	<u>0</u>	\$ <u>-0-</u>
	Total	50	\$ 4,353,165
	Leverage Loans	2	\$ 35,200
Woodstown	Repair Grants	10	\$ 52,565
	Repair Loans	2	\$ 14,500
	Homeownership Loans-Direct	41	\$ 2,217,834
	Homeownership Loans-Guaranteed	19	\$ 1,614,490
	Homeownership Loans-Assumptions	<u>5</u>	\$ <u>267,083</u>
	Total	77	\$ 4,091,455
	Leverage Loans	7	\$ 192,200

Results FY 2000 - Multi-family Housing Projects Approved

Applicant: Whispering Waters Apartments
Purpose: Rehabilitation
Amount: \$1,000,000
Congr. District: 2nd
Funding: Multi-family Housing direct loan

Applicant: Paul Macrie - County Line Blueberry Farms, Inc.
Purpose: Farm Labor Housing
Amount: \$175,000
Congr. District: 2nd
Funding: Direct Loan

Applicant: Liverpool Estates South
Purpose: Rehabilitation
Amount: \$100,000
Congr. District: 2nd
Funding: Multi-family Housing direct loan

Applicant: County of Morris
Purpose: Housing rehabilitation
Amount: \$40,000
Congr. District: 11th
Funding: Housing Preservation Grant

Applicant: Jeffrey Whalen
Purpose: Farm Labor Housing
Amount: \$125,000
Congr. District: 3rd
Funding: Direct loan



Above: Mendham Area Senior Housing project located in Mendham, Morris County, NJ. The project contains 40 units dedicated to housing senior citizens and qualified disabled adults.

Results FY 2000 - Community Facilities Projects Approved

Applicant: Heislerville Vol. Fire Co.
Purpose: Purchase Fire Truck
Amount: \$225,000
Congr. District: 2nd
Funding: Direct loan

Applicant: Upper Greenwood Lake VFC
Purpose: Construct Fire House
Amount: \$100,000
Congr. District: 5th
Funding: Direct loan

Applicant: Buena Vista Emergency Medical Services
Purpose: Purchase Ambulance
Amount: \$32,500
Congr. District: 2nd
Funding: Direct loan

Applicant: Eagleswood Fire Co.
Purpose: Building Repair
Amount: \$30,000
Congr. District: 3rd
Funding: Direct loan

Applicant: Mauricetown Volunteer Fire Company
Purpose: Building Addition
Amount: \$66,000
Congr. District: 2nd
Funding: Direct loan

Applicant: Heislerville Vol. Fire Co.
Purpose: Purchase Fire Truck
Amount: \$17,500
Congr. District: 2nd
Funding: Grant

Applicant: New Jersey Rural Water Association
Purpose: Purchase & Improve Building
Amount: \$129,000
Congr. District: 3rd
Funding: Direct loan

Applicant: Ocean Gate Vol. Fire Co.
Purpose: Major Equipment
Amount: \$15,000
Congr. District: 3rd
Funding: Grant

Applicant: Shiloh Borough
Purpose: New Rescue Squad Building
Amount: \$195,000
Congr. District: 2nd
Funding: Direct loan

Applicant: Buena Vista Emergency Medical Services
Purpose: Purchase Ambulance
Amount: \$17,500
Congr. District: 2nd
Funding: Grant

Applicant: Mercy First Aid Squad
Purpose: Purchase Ambulance
Amount: \$70,000
Congr. District: 3rd
Funding: Direct loan

Applicant: Bayville First Aid Squad
Purpose: Purchase Amulance(s)
Amount: \$75,000
Congr. District: 3rd
Funding: Direct loan

Applicant: Dorothy Vol. Fire Co.
Purpose: Purchase Amulance
Amount: \$125,000
Congr. District: 2nd
Funding: Direct loan



Above: Mansfield Emergency Squad in Mansfield Township, Warren County, NJ constructed this building using Community Facilities direct loan funds. The building opened for business in October, 2000.

Results FY 2000 - Water & Waste Disposal Projects Approved

Applicant: Haledon Borough
Purpose: Water Phase II
Amount: \$1,500,000
Congr. District: 8th
Funding: Direct loan

Applicant: Berkeley Twp. MUA
Purpose: Water (Central Blvd. Extension)
Amount: \$1,685,000
Congr. District: 3rd
Funding: Direct loan

Applicant: Hopewell Twp. (Cumberland Co.)
Purpose: Sewer Phase IV
Amount: \$2,215,000
Congr. District: 2nd
Funding: Direct loan

Applicant: Lavalette Borough
Purpose: Sewer
Amount: \$1,000,000
Congr. District: 3rd
Funding: Direct loan

Applicant: Ogdensburg Borough
Purpose: Water
Amount: \$200,000
Congr. District: 5th
Funding: Direct loan

Applicant: Corbin City
Purpose: Storm Sewer
Amount: \$330,000
Congr. District: 2nd
Funding: Direct loan

Applicant: Haledon Borough
Purpose: Water Phase II
Amount: \$500,000
Congr. District: 8th
Funding: Grant

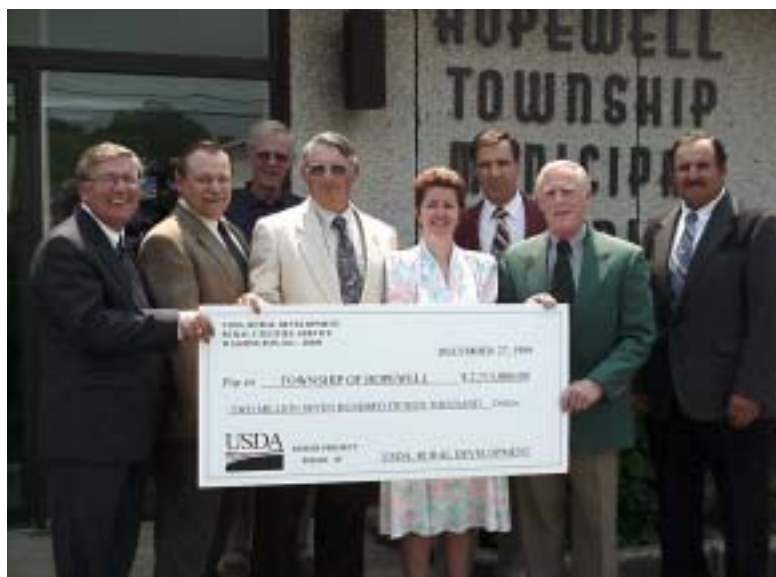
Applicant: Hopewell Twp. (Cumberland Co.)
Purpose: Sewer Phase IV
Amount: \$500,000
Congr. District: 2nd
Funding: Grant

Applicant: Berkeley Twp. MUA
Purpose: Water (Central Blvd. Extension)
Amount: \$500,000
Congr. District: 3rd
Funding: Grant

Applicant: Lavalette Borough
Purpose: Sewer
Amount: \$594,490
Congr. District: 3rd
Funding: Grant

Applicant: Village of Grassy Sound Civic Association
Purpose: Sewer
Amount: \$440,370
Congr. District: 2nd
Funding: Grant

Applicant: Borough of Buena MUA
Purpose: Sewer
Amount: \$162,600
Congr. District: 2nd
Funding: Grant



Above: USDA Rural Development State Director, Ernest R. Grunow, Jr., and Loan Specialist, Victoria M. Fekete, deliver a ceremonial check in the amount of \$2,715,000 in loan and grant funds from the Rural Utilities Service to the governing body of the Township of Hopewell, Cumberland County, NJ. These funds will pay for the completion of Phase IV of the wastewater collection system serving Township residents currently treating their wastewater using septic tanks.

Results FY 2000 - Business Programs Projects Approved

Applicant: The Short Run Bindery, Inc.
 Lender: WebBank Corporation
 Purpose: Debt refinancing & equipment
 Amount: \$1,640,000
 Congr. District: 3rd
 Funding: Business & Industry loan guarantee

Applicant: The Short Run Bindery, Inc.
 Lender: WebBank Corporation
 Purpose: Debt Refinancing
 Amount: \$200,000
 Congr. District: 3rd
 Funding: Business & Industry loan guarantee

Applicant: Wee Kids Early Learning Center, Inc.
 Lender: Equity Bank
 Purpose: Equipment & Working Capital
 Amount: \$125,000
 Congr. District: 3rd
 Funding: Business & Industry loan guarantee

Applicant: Branchburg Coastal, Inc.
 Lender: Unity Bank
 Purpose: Real estate acquisition
 Amount: \$550,000
 Congr. District: 12th
 Funding: Business & Industry loan guarantee

Applicant: Miza Pharmaceuticas USA, Inc.
 Lender: First International Bank
 Purpose: Business Acquisition
 Amount: \$3,800,000
 Congr. District: 2nd
 Funding: Business & Industry loan guarantee

Applicant: Ridge Associates, Inc.
 Lender: First International Bank
 Purpose: Purchase of Manufacturing Facility
 Amount: \$2,350,000
 Congr. District: 11th
 Funding: Business & Industry loan guarantee

Applicant: Mary T. Hourihan L.L.C.
 Purpose: Business Acquisition
 Amount: \$96,000
 Congr. District: 5th
 Funding: Business & Industry direct loan

Applicant: Tricounty Community Action Corporation
 Purpose: Technical Assistance - Entrepreneurial Training
 Amount: \$37,000
 Congr. District: 2nd
 Funding: Rural Business Enterprise Grant

Applicant: Burlington County Institute of Technology
 Purpose: Technical Assistance - Adult Job Training
 Amount: \$25,000
 Congr. District: 4th
 Funding: Rural Business Enterprise Grant

Applicant: City of Absecon
 Purpose: Utility Construction
 Amount: \$53,000
 Congr. District: 2nd
 Funding: Rural Business Enterprise Grant

Applicant: Green Thumb, Inc.
 Purpose: Technical Assistance - Experience Works
 Amount: \$49,000
 Congr. District: 2nd
 Funding: Rural Business Enterprise Grant



Above: USDA Rural Development, Community & Business Programs Director, Michael P. Kelsey, presents a ceremonial check for \$49,000 in grant funds to Green Thumb, Inc. state director, Sydelle Norris and staff. Funds are to be used at their "Experience Works" job training site located at the New Jersey Jobs Center facility in Hammonton, NJ.

Directory of Offices - USDA Rural Development

New Jersey

state office:

USDA Rural Development
790 Woodlane Road
Mt. Holly, NJ 08060
TEL 609-265-3600
FAX 609-265-3651
TDD 609-265-3687

Hackettstown Local office: (Covers Essex, Hudson, Hunterdon, Somerset, Union & Warren counties. 5th, 7th, 8th, 9th 10th, 11th 12th, & 13th Congressional Districts)

USDA Rural Development
Hackettstown Commerce Park
Building 1
101 Bilby Road
Hackettstown, NJ 07840
TEL 908-852-2576
FAX 908-852-4666

Mt. Holly Local office: (Covers Burlington, Mercer, & Middlesex counties. 1st, 2nd, 3rd, 4th, 6th, & 12th Congressional Districts.)

USDA Rural Development
Tiffany Square, Suite 200
2615 Route 38
Mt. Holly, NJ 08060
TEL 609-267-1639
FAX 609-261-3007

Toms River Local office: (Covers Monmouth & Ocean counties. 3rd, 4th, 6th, & 12th Congressional Districts.)

USDA Rural Development
776J Commons Way
Toms River, NJ 08755
TEL 732-349-1067
FAX 732-505-8572
TDD 732-349-2389

Vineland Local office: (Covers Atlantic, Cape May & Cumberland counties. 2nd Congressional District.)

USDA Rural Development
1317 South Main Road
Building 3, Suite A
Vineland, NJ 08360
TEL 856-205-1225
FAX 856-205-0691

Woodstown Local office: (Covers Camden, Gloucester, & Salem counties. 1st, 2nd, & 3rd Congressional Districts.)

USDA Rural Development
51 Cheney Road
Suite 2
Woodstown, NJ 08098
TEL 856-769-1126
FAX 856-769-0718

